

DEDICATED RISK MANAGEMENT LINE OF CREDIT  
ABSTRACT OF THE DISCLOSURE

A dedicated line of credit restricted to use for eligible demands from claimants, and a method for managing the retention of risk. The dedicated line of credit is available for an amount of time roughly equal to the term of coverage of a corresponding insurance policy. The method for managing the retention of risk comprises determining an estimate for the amount of future claims, calculating the cost of insurance, determining the entity's optimum amount of retained risk and providing a mechanism to pay the portion of claims for which the entity has retained responsibility.